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LETTER, &c.

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LETTER

FROM THE

RIGHT HONORABLE HENRY DUNDAS

TO THE

CHAIRMAN, DEPUTY CHAIRMAN,

AND

COURT OF DIRECTORS,

OF THE

EAST-INDIA COMPANY.



London:

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July 1801.

Clarges Street, 30th June, 1801.

GENTLEMEN,

IN the explanation of the Affairs of the East-India Company, which I lately stated to the House of Commons, I gave it as my opinion, that within a very few years after the return of Peace, the Indian Debt might be reduced within proper limits, by a due combination of the revenues and commerce of the East-India Company; that before the expiration of their Charter, the sum necessary for the Guarantee of their Capital will be accumulated; that the additional dividend may be allowed to the Proprietors, as provided for by the Act renewing their Charter; and that a due attention will, at the same time,

be paid to the Claims of the Public for Participation, according to the terms of the Agreement at the time the Charter of the Company was renewed ; and the more clearly to elucidate my ideas, I exhibited them in the form of an account, founded on the data pointed out, and stating the conclusions resulting from those data.

Although it was my intention, as usual, to publish the detailed explanations I have been accustomed to state in the Committee of the House of Commons, on the day generally appropriated for what is called the *India Budget*, I have been induced to give this separate Statement, because it has been suggested to me, that a publication of this nature, not complicated with minute details, but embracing a General View of the Prospect of your Affairs, during the continuance of the present Charter, may lead to a more speedy and accurate consideration of this important subject.

It is scarcely necessary for me to explain, why there is a peculiar propriety in my addressing the following sheets to you. Independent of the respect and attention I owe to the Directors and Proprietors of the East-India Company, and of the deep interest I must, at all times, take in their concerns,

cerns, it is obvious, that if my plans are fit to be adopted, or are likely to be attended with the wished-for success, the exertions for that purpose must originate with the East-India Company, and those exertions must be continued with a steady and unremitting attention.

The Account to which I have just referred is N^o I. in the Appendix. The result of the account depends only on its arithmetical accuracy, if the data on which it proceeds are not liable to some fundamental error ; it is therefore my first wish, to direct your attention to an examination of the leading features of the Plan.

They are, 1st. An arrangement abroad, so that a full million from the Surplus of the Revenues shall, at the commencement, be applicable to the Purchase of Investments.

2d. That the Investments from India and China shall amount, at prime-cost, to four millions annually, in equal proportions.

3d. That during the first four years from this time, the Company shall avail themselves of the power they already have, under the Act, for augmenting their Capital Stock to the extent of two millions, at the rate of half a million annually,

which it is supposed will realize one million sterling.

4th. That the additional money so raised, shall be applied, exclusively, to the liquidation of the present Indian Debt at Interest, either by increasing remittances in Bullion, or Export to India to that amount, or by defraying additional Bills drawn from India for the same purpose.

5th. That the extinction of this Debt, now calculated to amount to fourteen millions sterling, shall be carried on at the rate of one million annually, till the part of it called the Decennial Loan shall become payable, which is expected to take place on or about the year 1807-8 ; and that the sum then payable on account of Indian Debt, which is stated at £3,500,000, shall be discharged in that year: on which suppositions the Debts at interest abroad will then be reduced to £4,500,000.

I shall be under the necessity of troubling you with some explanation on each of these points.

The first requisite is, “ an arrangement abroad, “ so that a full million from the Surplus of the Revenues shall, at the commencement, be applicable “ to the Purchase of Investments.”

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The necessity of this requisite being accomplished will appear from the Account I have already referred to, in which, in the second year, credit is taken for the supplying £4,000,000, prime-cost of Investment, with a charge on that account on the Treasury at Home of only £3,000,000.—This, of course, proceeds on the supposition of the remaining £1,000,000 being, in that year, supplied from the Revenues in India. In the subsequent years, the Charge at Home for Investment is supposed gradually to be decreased below £3,000,000, in proportion as the applicable Surplus of Revenue in India is increased by savings of the Interest of Debt discharged ; and the progress of this latter operation is pointed out in the two Accounts, N^o II. and III. in the Appendix. I am well aware of the difficulty which occurs in the outset of this whole operation, from the present burthened state of your Finances in India, and the very large amount of the Revenues, which are absorbed in the discharge of Interest at so high a rate ; but this very circumstance is so decisive as to the success of the measure, when once set in motion, that no difficulty is so great that it ought not to be surmounted.

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The Estimates of the Revenues and Charges, which I stated to the House of Commons, were drawn up from those transmitted by your Governments in India ; but in order that I might proceed with as much certainty as possible on this important article of the Plan, in addition to the exertions of the Accountant of the Board of Commissioners for the Affairs of India, I requested the assistance of your very accurate and able Officer, Mr. Wright, in order that they might jointly examine and correct the Estimates transmitted from Abroad, so as to enable me to form the best opinion possible, to what amount you might rely on a Surplus in India, as available to the purposes of Investment.

The Estimate, N^o IV. in the Appendix, will exhibit the result of the Investigation. It is prepared with great care, and certainly abundant caution ; but it is the safest side on which to err : and it would be imprudent, in a matter of so much importance, to build on any Surplus, that does not appear to be clearly warranted.

The Amount is taken at £800,000, which is deficient for the object in view to the amount of £200,000 : but, in truth, this deficiency ought not to be stated at so small a sum as £200,000 ; for
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when you consider that part of the Commercial Charges defrayed in India, amounting to about £180,000, have not been usually included in the Estimates, and likewise consider, that other unforeseen circumstances may occur, I do not think that, if you mean to ensure the actual receipt of the sum required, you can safely desist from your exertions, till you have secured in India, for commercial purposes, a sum of not less than £1,200,000.

There are several circumstances which lead me to be confident in my hopes, that a sum to that amount will, without any real difficulty, be obtained in India, for the purpose of realizing the prospects which are detailed in the Account before you.

In the first place, I can have no doubt, that if you send out positive instructions to your Governments Abroad, stating the importance of the object in view, considerable additions will be made to the savings pointed out in the corrected Estimate of Mr. Wright. This can only be effectually done on the spot: but it will be done, if your Servants Abroad are impressed with a full conviction, that the object you have in view is so far paramount to every other in the present moment, as to claim their first attention. In this observation I point chiefly at the
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Army Extraordinaries, which, from the pressure of the war, and the expensive contests in which you have been engaged, have necessarily amounted to a very large sum, and cannot fail to admit of great reductions, of the details of which at home we cannot be competent judges, but which a vigilant, economical, and firm Government on the spot, cannot fail to discover and to enforce.

In the second place, it is not impossible that some of those expenses which are, with great propriety, intended to be of a permanent nature, may, without risk, be postponed, till it is finally ascertained that they can be defrayed, without interfering with the sum requisite for Investment, according to the plan detailed in the subjoined Accounts, N^o I, II, and III. In this observation I particularly allude to your Military Establishments, as last revised. In the orders you sent out some months ago, considerable reductions were made in your military expenditure, and I observe in the corrected Estimate, No. IV, that the saving in consequence is computed at £270,000. These reductions were ordered upon a very accurate examination, and to the best of my judgment, it would not be proper, in a future permanent arrangement, to make them to a greater extent:

extent: but when so great an object is at stake, I should be clearly of opinion, for considering how far any parts of the proposed Establishment might be postponed. In the notandum subjoined to the corrected Estimate, N^o IV, Mr. Wright observes, that if the addition to the Artillery could be postponed, it would save £ 54,000; but I consider the addition ordered to your Artillery Establishment to be of such deep importance to the security of your extended Indian Empire, I do not think the saving suggested ought to be adopted. But I think differently with regard to the other notandum; and when so great a saving can be made as £153,000, by keeping the Native Regiments at 1400 privates, in place of 1600 or 1800, I cannot doubt, in advising you to make that reduction. In truth, there is no risk; for in the case of emergency, the Native Troops could be recruited with the utmost expedition, to the ultimate proposed establishment, or indeed to any amount.

In these observations you will observe, that I have confined myself solely to the consideration of Military Retrenchments. I have done so, because I am convinced that any attempt to make any considerable reduction in your Civil Establishments, would be productive of all the inconveniences attending

tending inadequate allowances to your Civil Servants. Such a system would lead to all the fatal consequences resulting from the exaction of private unwarranted allowances, which it has been the great object of the present System of Indian Administration to annihilate. At the same time, this is no reason why even your Civil Expenses may not merit your attention, to the effect of instructing your Governments to refrain from any expenditure of a contingent nature, which would lead to any considerable expense, and respecting which there is no immediate urgency, why it should be executed at the present rather than any future moment. Although, at this distance, I cannot take it upon me to specify all the particular items of Expenditure, on which retrenchments may be made, I cannot permit myself to entertain any unreasonable diffidence on the subject, when I look to the state of your Expenses of India at a former period. I do not carry that reference to an early period, because I am aware that, within these very few years, a large permanent expense was most properly incurred, by the Arrangement which took place for rendering the condition of your Military Servants more comfortable, in a variety of respects. I refer,

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however, to the charges of all kinds, as they stood in the year 1797-8, and the amount of them was £7,650,654, a sum far inferior to that contained in the Estimate now exhibited by your Auditor, amounting to £8,851,260. It is true, that since that period, great additions have been made to your Territorial Possessions, and very considerable additions to your Military Expenditure are created, in consequence of the very beneficial Alliances you have formed with the Native Powers in India. These considerations, however, do not operate against the probability of what I am endeavouring to establish; for as to addition of Territories, it cannot escape observation, that the events which produced those additions have, at the same time, tended to increase the security of your own Possessions, by narrowing their Frontier, and annihilating your most powerful and inveterate Enemy; and wherever you are obliged to increase your Military Establishments in consequence of Alliances, you have received a Subsidy, fully adequate to the expense of those subsidiary Engagements.

It is proper here to remind you, that in the observations I have made, to establish the probability of the requisite aid to be derived from a Surplus

Revenue, in India, I have taken no credit for the expectations I am entitled to entertain, from the increasing prosperity, cultivation, and consequent population, of our Indian Territories. Our Revenues, for some years, have been in a state of progressive increase, and the same cause must continue to operate in producing the same effects. I shall not indulge myself, at present, in disquisitions of that nature, as it would lead me far beyond the bounds I have prescribed to myself in this Address. I state the circumstance, without meaning to draw any other conclusion, than what must occur to every body, *viz.* that the happy change which recent events have produced on our affairs in India, must strengthen and invigorate every hope and expectation, founded on their present state. Every system of beneficial Finance, Commerce, and economical Administration, can now be adopted and pursued, with more steadiness and certainty of success, than it could be under circumstances of precarious security and unremitting anxiety.

Having now stated to you a saving upon your Estimates, to an amount producing near a million Surplus in India, and having likewise stated the prospect of a larger Surplus, both from the probability

bility of further Retrenchments, and from the almost certainty of a progressive increasing Revenue, I might safely leave this part of the proposition, upon what I have already observed : but to remove all ambiguity on the subject, I think it proper to remind you, that in the end of the year 1803, or beginning of the year 1804, the Debt due to the Consolidated Creditors of the late Nabob of Arcot will be liquidated, so as to set free a sum of not less than 6,21,000 Pagodas, amounting, in Pounds Sterling, to the sum of £248,400. This sum will, of course, be applicable to the discharge of such further Debts of the late and present Nabob, as are not included in the former arrangement. The East-India Company itself is a creditor to a large amount, and, according to the arrangement suggested by Marquis Wellesley, in his Letter to the Nabob of 24th of April 1799, there can be no doubt, that at least one half of the sum so set free, will be appropriated to the extinction of the Debt due to the Company, and will, of course, to that amount, add to the Surplus of the Revenues applicable to Investment. But this is not all; for according to the Letter I have wrote to you this day, on the subject of the private unconsolidated Debts of the late and present Nabob,

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there seems no doubt that the whole of the 6,21,000 Pagodas, already referred to, will be at your disposal, for the purposes of Investment. My Letter, with its Enclosures, points out to you the obvious mode in which this is to be accomplished; and the effect of the transaction, if agreed to by you, will be to give an immediate commercial Resource, to the Amount of the whole 6,21,000 Pagodas, paying to the Creditors their Debts at home, by such distant Instalments, as can never prove any inconvenience to your Treasury at Home, or tend, in any degree, to disturb the substantial benefits to be derived from the measure, which I am now endeavouring, with great earnestness, to impress upon your attention. It is scarcely necessary to observe, that the effect of the Plan will be to put into your pockets, the difference between the amount of Interest payable to you by the Nabob, and the four per cent. payable by you at home to the Creditors, according to the agreement you may make with them in consequence of their proposals; and the only effect it will have upon the whole result of the account is, a diminution on the Balances at Home, from the period when the Instalments agreed upon with the Creditors shall become payable; and

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the aggregate of these payments will, *pro tanto*, create a diminution of the Balance stated to accrue at the expiration of the Charter.

As I consider this last head to be of the utmost importance to the whole success of the proposition in question, and as so many misapprehensions have appeared, and so many misrepresentations have been held out, respecting it, I have thought it my duty to state my ideas upon it, at greater length than I at first intended ; and upon the whole, I trust I may, with confidence, rest assured in the conviction, that one million sterling will be attainable from the Surplus Revenues of India, to co-operate with the other commercial resources of the Company, in producing the beneficial results, stated to proceed from those resources of Revenue and Commerce, judiciously combined together ; and it only remains to remark, that if, after every exertion, and contrary to every rational probability, there should be any deficiency, the inconvenience arising from it to the general object in view, will be obviated by your ordering your Government abroad, for the short period that may be necessary, to pay as much of the Interest of the Debt in India, by Bills on the Court of Directors, as may be required to secure the object of a million Surplus

plus in India, applicable to the purposes of Investment. The only consequence of doing so would be, to a very small amount, to diminish the progressive accruing balance of your Cash at Home; but your prospect of abundant affluence, in that respect, seems to be so unequivocal, as to admit of no discouragement, in the prosecution of every expedient calculated to ensure the success of this very salutary measure.

The second requisite is, “ that the Investments from India and China shall amount, at Prime-Cost, to four millions annually, in equal proportions.”

This does not require any minute explanation, beyond what appears on the face of the Accounts in the Appendix. The difficulty of finding a sufficient sum for the prime-cost of such an Investment, will chiefly occur in the first year of the operation, when it is requisite, by Exports, by Bills from India, and by Bullion, to find an aid to your India Concerns, to the amount of five millions sterling. The difficulty does not consist in any inadequacy of resources at home to make those exertions, but in the means of sending so large a sum; and particularly in the means of finding Bullion to so great an amount as £2,000,000, to which amount it must be found, if
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the full five millions, requisite for the first year, cannot be got through the medium of the other resources to which I have referred. The importance of the object is so great, no exertions ought to be omitted that can surmount the difficulty ; and there is scarcely any expense that ought not to be incurred, rather than endanger a failure of administering the requisite aid to your necessities in India. It would be improper in me, for obvious reasons, to detail what may have occurred to me on the subject. It is, indeed, unnecessary, for I know you will find most able advice on the subject from some of your own number. You will, of course, feel it to be your duty, to represent the importance of it, in the most forcible manner, to His Majesty's Ministers, who, upon an examination of the particulars I have stated, and fully weighing the very brilliant effects it will produce on the Commerce and Revenues of the Kingdom, cannot fail to be impressed with a full conviction of its being their duty, to contribute every aid in their power to set this operation in motion on its first outset, which is, in truth, the period when the chief difficulty will occur.

I now proceed to observe on the suggestion contained in the two next requisites I have before

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stated, and I trust I shall have little difficulty in obtaining your concurrence in the two propositions to which I refer : 1st. That it is your duty and your interest now to make use of the power you possess, under the Act of Parliament, 37 Geo. III. cap. 31, of augmenting your Capital Stock, by two millions sterling ; and, 2dly, That the money so raised, should be invariably applied to the extinction of your Debt in India.

The wisdom of this policy is indisputable, both on commercial and political principles. I need not observe to you, who have been sharers with me in the conduct of those transactions which have taken place for some years past, that the principle of our Indian Administration has been, so to combine the operations of Finance and Commerce, as that they may be mutually subservient to each other, by the Revenues of India administering to the wants of Leadenhall-Street, and on the other hand, the Treasury of Leadenhall-Street administering to the necessities of India, when the Surplus of the Revenues of India has become, either partially or totally, inadequate to the demands created by the enormous expenses of an extensive and complicated war, joined to the desire
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of remitting a large and valuable Investment from India to Europe.

I have had occasion, more than once, to observe, that although I could, without apprehension, acquiesce in the extension of the Company's Credit in India, to an amount unknown before, for the purposes of War and Investment; still that operation must have its bounds, and the Debt must not be permitted to become so unwieldy, as not to be reducible to its proper scale, within a moderate period after the return of Peace. It is impossible, perhaps, with perfect accuracy, to decide the precise Point at which the borrowing for the combined purposes of War and Commerce ought to cease; but I believe I do not take a very unsafe criterion, when I contend, that the use of the Company's credit abroad, for the purpose of Commerce, ought to cease, when Individuals find it for their advantage not to lend at a moderate Interest, and the Public cannot, of course, be accommodated, but at a very extravagant rate of Interest. I considered the state of the Company's Credit in India to have arrived at that point, when I saw the Debt growing to a rate of interest at ten or twelve per cent., in place of six or eight, and in addition to that, the Creditor stipu-

lating for himself a *continuance of that Loan, for a* defined length of time, and at a high rate of Interest, not less than ten per cent.

When, therefore, I saw the amount of Debt last year rise to above ten millions, bearing interest, and likely still further to increase, unless put a stop to, I thought it my duty to state to you, the propriety of restoring to India, from your Treasury at Home, a part of that Balance, which had found its way into your Treasury in England, in consequence of the unprecedented use of your Credit in India. It could not be done abruptly ; and this led me to state, last year, to the House of Commons, that I was ready to meet the Indian Debt, even at the large amount of fourteen millions.

From what I have above stated, it will not be understood, that I mean to pledge myself to an opinion, that in any case it is proper for the East-India Company to burthen their Revenues in India by the contraction of Debt for the purpose of Investment. That Commerce is the only proper medium by which the excrescent Revenues of India can be conveyed to Britain, admits of no doubt ; but it is, by no means, so clear, that creating a commercial Capital, by borrowing at high interest in India, is an expedient

expedient measure. It is, however, unnecessary to follow that disquisition further at present, because the Estimate you have produced this year, is a proof of your acquiescence in the plan of providing the prime-cost for your Investment, without creating, at present, any further burthen on the Revenues of India.

From what I have already stated, there can be no doubt of my hearty approbation to that measure, so far as it goes; but when it is of such infinite importance to all your future commercial prospects, to recover, as speedily as possible, the great commercial resource you have derived from the Surplus Revenues of India, from the time of the acquisition of the Dewannee, it surely cannot admit of a doubt, that having so obvious and easy a resource in your hands as that in question, you ought, without delay, to use it for that purpose.

I could expatiate much at large on this proposition, with all its bearings on the commercial Prosperity of the East-India Company; but when I consider to whom this Letter is addressed, it would be unnecessary waste of your time to enlarge farther on this topic.

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The advantages of adopting the suggestion I have taken the liberty of submitting to you, are not less conspicuous in a political, than they are in a commercial view. Your Debts in England are already reduced below their level, with a great Balance of Assets in your favor: judge then, to what a pitch of security your Territories in India would be raised, if your Revenues were disencumbered, within a short period, of the burthens which lay upon them. If before this is done, you were to be engaged in new struggles for the maintenance of that pre-eminence which you have progressively attained, you would be obliged to engage in them with your whole Surplus Revenues, absorbed in the payment of an extravagant rate of interest, and you could not trust to the measure of a further extension of your Credit, already stretched to an unprecedented amount; whereas, by extinguishing your Indian Debt, you would, in a few years, have the command of a clear Surplus of £2,000,000, applicable to the purposes, either of Commerce or Defence, as might be expedient at the moment; and you would, at the same time, be in possession of your Credit entire, which experience has proved may, without danger of being over-stretched, be
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carried to the amount of fourteen millions sterling. In such circumstances, you would be in a situation to bid defiance to the assault of every Enemy; for you would be enabled, on the resources of India alone, to maintain a war, beyond any term of years that the most gloomy imagination may choose to figure to itself.

With such a Statement before you, I am positive, from my long knowledge of you, I would do you much injustice, if I was to entertain any such diffidence, as to think it necessary to dwell longer on the elucidation of the propositions which I have thus briefly endeavoured to enforce.

The last of the data I have stated above, and which follows as a Result of the others, is, “ That
 “ the extinction of the Debt shall be carried on at
 “ the rate of one million annually, till the part of
 “ it termed the Decennial Loan shall become pay-
 “ able, which is expected to take place on or about
 “ the year 1807-8. The sum then payable is stated
 “ at £3,500,000, when the Debts at Interest Abroad
 “ will be reduced to £4,500,000”.

Upon examining the progressive operation of the Account, N^o I, you will perceive, that from the Balance accruing at Home, there would be the
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means of extinguishing the Debt at an earlier period than that I have alluded to, and in this respect, the plan is open to such alterations and modifications as circumstances may suggest. I have preferred this mode of stating it, as appearing to me the most likely to suit the means of transferring home the Debt, in the manner most convenient for the arrangements of Government in India, and for the accommodation of the Company's Treasury at Home. The only part fixed at present, and which cannot be altered without the consent of the Creditors interested, is, that the Decennial Loan, amounting to about £3,500,000, cannot be paid off sooner than the year 1807-8, consistently with the conditions under which it was borrowed.

In like manner, when I mention the Debt in India being reduced to £4,500,000, I do not state that as a circumstance essential to the principle of the plan itself. By the appropriation clauses in the Act 1793 (Appendix, N^o V.) which I subjoin, to prevent the trouble of reference, you will perceive, that at the Renewal of the Charter, the idea was to reduce the Debt in India to £2,000,000. That idea was suggested and adopted, upon the ground that a certain proportion of the Debt might, with utility,
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be left in India, on transferable Government Securities, at an Interest of about six per cent. resembling India Bonds or Exchequer Bills in this Country, and that such a measure would be not only convenient for the circulation of the Country, but, in as far as those securities might find their way into the hands of the Natives, it would tend to connect their interests more closely with the credit and stability of the British Government in India. If those ideas are well-founded, it occurred to me that, in the present extended state of your Empire and pecuniary relations at your different Settlements, a sum of £4,500,000 was more proportionate to the objects in view, than the sum of £2,000,000, pointed out in the Act 1793.

Indeed I may here in general observe, that in the frame of the Account I have presented, I have been guided solely by the principle of elucidating what the progressive Balance would be upon the data assumed; but I do not mean to anticipate what may be the most eligible mode of its appropriation, if the measure shall be found to produce the Results I have stated. Some think, that no Debt at all should be left in India: others are of opinion (and in which there is much sound policy) that when

your affairs are brought into a situation to enable you to do so, it would be wise, after the example of other Indian Powers, to have always a Dépôt of Treasure in your coffers in India, to the amount of three or four millions sterling, to meet any sudden emergency, and to save you the necessity of having immediate recourse to large Loans, in the event of your being compelled to Hostilities, by the restless ambition and jealousy of your Enemies, either Native or European.

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But I desist from pursuing, in detail, these or other speculations of a similar nature. They are foreign to the object of this address, and must be reserved for the wisdom of others, at a future moment, to decide upon. I am of opinion, that if our Indian Concerns proceed successfully on the principles and to the results I have detailed, a new arrangement between the Public and the East-India Company will be proper, with a view to the interest of both parties. It is obvious, that some arrangement must be necessary, in consequence of the contingent appropriations pointed out in the 111th Clause of the Act 1793; for if the Balance should accumulate in any one year, to so large an amount as to exceed what can be used in that year,

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for the purposes which the Act directs, it could not be allowed to remain as a dead Fund; but it would, in my judgment, be wise to apply to Parliament, for the power of carrying such Surplus as cannot be appropriated to the purposes specified in the Act, to an earlier commencement of the accumulation for the Guarantee Fund, subject to the condition of being at any time applicable to the reduction of the Indian Debt, within the limit intended, as rapidly as the means of remitting to India for that purpose can be found. It is obvious, that under the circumstances I have supposed, such an enabling power to the Directors of the East-India Company would be equally beneficial to the Public and to the Proprietors of India Stock.

Having thus explained, as far as appears necessary, the principles of the Plan I have presented for your consideration, it still remains, that I should take notice of the objections which have been stated, or may occur, against the probable success of it.

In the explanations I have already given, I have had an opportunity of obviating some of those difficulties; and it does not appear to be necessary, in addressing you, to enter upon any justification of the accuracy of the account, so far as concerns the

annual expenditure of each year. That is a subject familiar to you by daily observation, and I make no doubt you will concur with me in thinking, that in the different items of Charge, I have made ample allowance for every article of Expenditure.

Neither does it occur to me, that an objection can be made to any of the items of Receipt in each year, unless (as indeed has been stated) it shall be supposed, that the Sales may not remain at the amount I have estimated. I have taken them at the amount they now are; and I confess, if proper attention be paid to your Trade, and no means omitted to ensure and encourage, permanently and on a solid foundation, the commercial intercourse between India and Great-Britain, I can see no reasonable ground of doubt, that the Sales, on the return of Peace, will continue at an amount not below their present level. Many circumstances, both in the internal state of Great-Britain and Ireland, and many considerations arising from a view of the probable state of the Commerce of the World, lead me to believe, that at a general Peace, any apprehensions on this head will prove unfounded. It is, however, my earnest wish, on the present occasion, to wave every circumstance which may be supposed
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of doubtful speculation, and therefore, since I heard the observation made, I have prepared an Account, similar to the other, proceeding on an Amount of Sales, so much reduced as to leave no room for doubt. Instead of taking the Sales throughout at £7,400,000, as in the Account, N^o I, I take them from the supposed return of Peacc at only £5,550,000. But then, if you suppose a reduced amount of Sales, you must, at the same time, suppose a proportionable reduction of the sum necessary to be provided for Prime-cost of the Goods, which, in that respect, and in the amount of Commercial Charges of every description, adds facility to the execution of the plan; and although it takes something from the rapidity of success, does not take from its ultimate certainty or importance. The Results of those data are pointed out in the Account subjoined, N^o VI.

It may, probably, be observed, that the account, N^o I, proceeds on the supposition of a continuance of Peacc, during the whole term of your Charter, a period of not less than thirteen years. The observation is just, in point of fact; but I am not apprehensive of having the merits of my proposition tried on other data, and the utility of carrying it into execution will still remain indisputable. No
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one, however anxious in his disposition, however unfavorably inclined he may be to contemplate future prospects, will conceive me sanguine, in supposing that, if fortunately the War should be terminated in the present year, by an honorable and adequate Peace, after a contest so long and so exhausting to all the Belligerent Powers with whom we are engaged, there may be a cessation from Hostilities for the short period of seven years; and if that takes place, it gives time for the extinction of the Indian Debt, which is the great and primary object of my suggestions: and if, at the end of that period, there should be a renewal of Hostilities, that should continue even for the whole period of the Charter, it would not annihilate, and very little impair, the Result of the calculations I have submitted to your attention. Even if there are five years war in Europe, experience teaches (and indeed the nature of a Continental War in India is such) that you estimate largely, if you suppose, that out of five years of general War, more than three of it operates to the effect of increasing the Military Expenditure in India. While it does so operate, it of course leads to the consequence of your not being warranted to trust to the full amount of the calculated supply from
the

the Revenues of India ; but when the War ceases in India itself (notwithstanding its continuance in Europe), the Resource from the Territorial Revenues revives. It is true, that while the War continues in Europe, although it may have ceased in India, the expenses of Commerce are greatly swelled by the increase of freight, and other circumstances, and therefore they must, in that case, be estimated at the war amount.

These propositions will be best understood, by putting them into figures, as I have done the others ; and I have therefore prepared two accounts, N^o VII. and VIII of the Appendix, *one* upon the supposition of an Investment of four millions of Prime-cost, and seven millions four hundred thousand of Sales ; *the other*, on the supposition of three millions of Prime-cost, and five millions five hundred and fifty thousand of Sales ; and upon the examination of these Accounts, you will perceive how little ground there is, for your being discouraged from eagerly adopting the proposition I am enforcing, even in the worst view of the Result that the most timid imagination can suggest.

I will not trespass longer on your patience. After the most mature consideration I can give the
subject

subject in all its bearings and relations, I have a deep-rooted conviction, that your Indian Debt is the only formidable enemy your Indian Prosperity has to encounter. Subdue it, and you have subdued every thing that ought rationally to be dreaded. If I can inspire your minds with the same enthusiasm on this Subject with which my own is animated, I shall rest in confidence, that you will not disregard my parting advice ; but, by adopting the means which are in your hands, speedily overcome your Indian Debt, and thereby exalt your own characters, by consulting the best Interests of your Constituents, and the general prosperity of your Country. By such an operation, you will practically establish the expediency of the System under which we have been acting together for these seventeen years past, and you will prove to the Legislature and to the Public, the wisdom of leaving in the hands of the East-India Company, the share they hold in the Executive Administration of our Indian Empire.

I have only further to add, that I should not have troubled you with this Address, if I had not felt myself warranted to assure you, that in this and every other measure, calculated to promote the good of the Public, and the real Interests of the

East-

East-India Company, you will meet with the most cordial co-operation of the Board over which I lately presided, and at which I have been succeeded by a Person, whose amiable manners, and respectable talents, will ensure your confidence and respect, in proportion as they become habitually known to you.

I have the honor to be,

GENTLEMEN,

With great Regard,

Your most obedient and obliged

Humble Servant,

HENRY DUNDAS.

To the CHAIRMAN, DEPUTY CHAIRMAN,
and COURT OF DIRECTORS of the
East-India Company.



APPENDIX.



APPENDIX, No. I.

ESTIMATE, shewing what may be the Situation of the Cash Concerns of the EAST-INDIA COMPANY, in England, at the Close of their Charter, calculated on the following Principles, viz. Supposing the Prime Cost of the Investments from India and China to Amount, annually, to Four Millions, and the Sales to yield £7,400,000; that after the first Year, the Surplus from the Terminals, &c. Revenues shall amount to One Million, and gradually increase, by the Interest on the Debt (to be extinguished), &c. till it amounts to Two Millions, the Prime-Cost of the Investment being paid from the Surplus Revenue, and from the Proceeds of the Sales, &c. reckoning on an Addition to the Capital Stock at £500,000, or One Million Sterling, annually, for Four Years; the Charges in the First Year taken on a War, and in the following on a Peace Establishment; reckoning, likewise, on the Liquidation of the Indian Debt, &c. at an Interest, taken at Fourteen Millions, so that, by the Year 1803-4, it shall be reduced to £4,500,000; and finally, shewing the Proceeds without noticing what may be the Amount for the Participation of the Public.

RECEIPTS.	1801-2.	1802-3.	1803-4.	1804-5.	1805-6.	1806-7.	1807-8.	1808-9.	1809-10.	1810-11.	1811-12.	1812-13.	1813-14.
Balance of Cash . . .	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000	£ 2,000,000
Sales of Goods . . .	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000
Produce from Trade . . .	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Interest on Annuities . . .	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Loyalty Loan . . .	50,000	—	—	—	—	—	—	—	—	—	—	—	—
New Capital . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Receipts . . .	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000
PAYMENTS.	1801-2.	1802-3.	1803-4.	1804-5.	1805-6.	1806-7.	1807-8.	1808-9.	1809-10.	1810-11.	1811-12.	1812-13.	1813-14.
Costs . . .	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Freight . . .	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Charges on Goods . . .	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000
Cost of Investments, the part paid in England . . .	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Dividends . . .	750,000	800,000	850,000	900,000	950,000	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000
Charges Extra . . .	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Freight Extra . . .	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Payment of Indian Debt . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
Officers on Paying . . .	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Captains of Ships, &c. . .	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Debt to the Bank . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Payments . . .	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000	8,150,000
Balance remaining . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
Total . . .	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000	7,550,000

N. B. The above Estimate is framed on the Supposition of Peace after the first Year. The Calculations are made without Reference to the Rate of Exchange, or the Price of Bullion.

Some Variation may be expected as to the precise Year in which the Debt would be reduced to the intended Limit. It may take place partly in the Year 1807-8, and partly in 1808-9.

APPENDIX, N^o II.

ESTIMATE, shewing the Surplus that must be produced in INDIA, in order to effect the Purposes laid down in the general Estimate.

	Surplus Revenue.	Saving by Interest on Debt.	Total.
	£	£	£
1801-2 - - -	1,000,000	—	—
1802-3 - - -	1,012,500	87,500	1,100,000
1803-4 - - -	1,125,000	175,000	1,300,000
1804-5 - - -	1,137,500	262,500	1,400,000
1805-6 - - -	1,150,000	350,000	1,500,000
1806-7 - - -	1,162,500	437,500	1,600,000
1807-8 - - -	1,275,000	525,000	1,800,000
1808-9 - - -	1,125,000	875,000	2,000,000

N. B.—If the Debt at Interest is reduced to £4,500,000, and the Rate of Interest to Six per Cent., the Interest then payable would be £270,000, in which case the Saving would be £955,000.

The above is exclusive of the Amount required for the Commercial Charges, not added to the Invoices.

APPENDIX, N^o III.

ESTIMATE, shewing the Reduction of the Debt in INDIA, calculated at Fourteen Millions, bearing Interest, by the annual Application of One Million.

	Principal.	Interest at $8\frac{1}{4}$ per Cent.
	£	£
April 1801	14,000,000	1,225,000
Season.—1801-2 - - - - -	1,000,000	87,500
D ^o 1802	13,000,000	1,137,500
D ^o —1802-3 - - - - -	1,000,000	87,500
D ^o 1803	12,000,000	1,050,000
D ^o —1803-4 - - - - -	1,000,000	87,500
D ^o 1804	11,000,000	962,500
D ^o —1804-5 - - - - -	1,000,000	87,500
D ^o 1805	10,000,000	875,000
D ^o —1805-6 - - - - -	1,000,000	87,500
D ^o 1806	9,000,000	787,500
D ^o —1806-7 - - - - -	1,000,000	87,500
D ^o 1807	8,000,000	700,000
D ^o —1807-8 Decennial Loan	3,500,000	at 10 per Cent. 350,000
1808	4,500,000	350,000

The Interest calculated to remain payable on the Debt reduced to £4,500,000, is £350,000, which may be reckoned at about £7. 15s. 6½d. per Cent. The saving of Interest by the Reduction is £875,000; but if the remaining Debt were to be at Six per Cent. the saving would be £955,000.

APPENDIX, N^o IV.

ESTIMATE, &c.

APPENDIX

ESTIMATE of REVENUES and CHARGES at each
 Surplus to arise in the first Year of Peace, on
 duce as estimated on the latest Materials received
 according to the last Instructions, and distinguish-
 several Charges are expected to be reduced below,

 R E V E N U E S.

 B E N G A L.

at 2s the Current Rupee.

The Estimate for 1800-1 makes
 the Total Revenues - - - £6,339,200

In this, the Subsidy from Oude is
 taken at 96½ lacs of Sicca Rupees;
 but Marquis Wellesley states the
 full Subsidy at 115 lacs. The Ar-
 rangements were not completed
 when the Estimate was made, the
 difference may therefore be added,
 being Sicca Rupees 18½ lacs, or
 CR^s 21,46,000, at 2s. - - - 214,600

 6,553,800

The Opium, in the Estimate, is
 said to be taken as last year, but is,
 in

Carr. forward - 6,553,800

DIX, No. IV.

Presidency in INDIA, and Total Amount of Net the Supposition of the Revenues continuing to pro- from India, and of the Charges being regulated -ing by what Amount, and on what Grounds, the or increased above, the Estimate for 1800-1.

 C H A R G E S.

B E N G A L.

at 2s. the Current Rupee.

The Charges in the Estimate for 1800-1 are stated at - - - £4,422,000

In these are included the expense of Military Stores, at an amount far exceeding the Average of former Years; and it is presumed a reduction may in future take place of - - - - - £20,000

Also the temporary Ex-
pense of repairing the For-
tifications at Futtu Ghur, in
consequence of the Treaty
with the Vizier - - - 30,000

 50,000

 £4,372,000

Carr. forward - £4,372,000

Bro. forward - £6,553,800

R E V E N U E S.

BENGAL—*continued.*

in fact, £34,000 more. The Sale in 1799-1800 was extraordinarily productive; and although some addition in the quantity was expected in 1800-1, it seems prudent, for a continuance, not to take it at a higher sum than last year's Sales.

Deduct therefore - - - - - 34,000

As the other articles of the Estimate do not seem liable to objection, the Bengal Revenue may be calculated at - - - - -

£6,519,800

Carr. forward - £6,519,800

<i>Bro. forward</i> - 3,273,000	£4,372,000
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CHARGES.

BENGAL—*continued.*

A further sum might be deducted, on account of the expense of building the new Government House, estimated at £34,800, which cannot be a permanent Charge; but as the Military Expenses are rather below the probable Amount, when the arrangements for Oude are completed, this may be set against it.

<i>Carr. forward</i> - £4,372,000

Bro. forward

6,519,800

REVENUES.

FORT ST. GEORGE.

at 8s. the Pagoda.

The Revenues, by the Estimate
for 1800-1, are - - - - £3,273,000

In this, the Subsidy from the Nizam is Pagodas 9,16,000; but by the new Treaty of October last, he commuted the old Subsidy for his Share of the Territories ceded by, and conquered from Tippoo, in 1792 and 1799, the Revenues of which, by Tippoo's Accounts, are Pagodas 17,92,000. Those of 1792 are thought to be over-rated in these Accounts, but on the other hand, the Revenues of the Countries conquered in 1799, are supposed to be much undervalued, and in fact the Company's Share, which was to the same Amount, has produced

Carr. forward £3,273,000

6,519,800

<i>Bro. forward</i> -	£4,372,000
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CHARGES.

FORT ST. GEORGE.

at 8s. the Pagoda.

The Charges, by the Estimate of
1800-1, are - - - - - £3,723,000

On the most minute examination
of the Estimate of Military Charges,
compared with the Auditor General's
Statement, from which it is
taken; after allowing for the in-
creased Establishment, and all con-
tingencies, stated by the Auditor
General, the Estimate appears sub-
ject to the following alterations:

The Total Military Charges, in-
cluding the Troops in Malabar and
Canara, should be more than in the
Estimate, by Pagodas - 3,44,887

In the Total are in-
cluded the following extra
expense

<i>Carr. forward</i> - £3,723,000	4,372,000
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<i>Bro. forward</i> - £3,273,000	£6,519,800
REVENUES.	

FORT ST. GEORGE, *continued.*

duced double the Estimate. The difference between the old Subsidy and the Revenues of the Countries ceded by the Nizam, may therefore be added, being Pag^s 8,46,000, or - - - - - 338,000

The Malabar Revenues, now placed under Fort St. George, are not included in the Estimate, and the Bombay Accounts contain the Estimate of two months Revenues only. The Net Revenue for ten months may be calculated at Pagodas 3,00,000, or - - - - - 120,000

The total Revenues may therefore be taken at - - - - -	3,731,000
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<i>Carr. forward</i> -	£10,250,800
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Bro. forward - £3,723,000 £4,372,000

C H A R G E S.

FORT ST. GEORGE, *continued.*

expense of Colonel Wel-
lesley's Detachment - 5,66,409

Arrears to Bullock-
owners 1799 - - - 59,413

Extra Expense of a Se-
cret Expedition - - - 2,00,000

French prisoners - - 23,118

Extra Expense of
Troops at the Moluccas
and Malacca, and Sup-
plies to those Settlements 3,06,300

This, and the former
article, it is supposed,
will be discontinued, as
Charges to the Company,
on the return of Peace.

Pagodas 11,60,240

The Difference is 8,15,353

which will probably be saved in
future, being - - - - - 326,140

The Charges at Fort St. George
will then be - - - - - 3,396,860

Carr. forward - £7,768,860

Bro. forward - £ 10,250,800

REVENUES.

B O M B A Y.

at 2s. 3d. the Rupee.

The Revenues, by the Estimate
for 1800-1, are - - - - - £300,000

But in this the Revenue of Ma-
labar is included for two months,
at a much higher proportion than
is warranted by the Collections of
the former year, when they were
at the highest. To allow for this,
and a small article of Revenue,
included for two years, de-
duct - - - - - £10,000

Some improvements are
expected hereafter in the
Surat Revenue, in conse-
quence of the late arrange-
ment, for which allow - 6,000

4,000

296,000

Total Revenues - £ 10,546,800

<i>Bro. forward</i> -	£7,768,860
CHARGES.	
<hr/>	
B O M B A Y.	
at 2s. 3d. the Rupee.	
The Estimate for 1800-1 is - £1,052,000	
This includes several items for two years' Expense, and does not allow for Retrenchments in some Departments. The Military Charges and expense of Stores appear over-rated: on the whole, it is thought a Deduction may justly be made of - - - - -	52,000
	<hr/> 1,000,000
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BENCOOLEN, PRINCE OF WALES ISLAND, AND ST. HELENA.	
The Supplies, by the Estimate of 1800-1, are - - - - -	82,400
	<hr/>
Total Charges - - - - -	8,851,260
Estimated Net Revenue - - -	1,695,540
	<hr/>
	£ 10,546,800
	<hr/>

Estimated

Estimated Net Revenue brought down - £1,695,540

In the Accounts of Madras, the expense of Ceylon is estimated at £70,000, which will not, in future, be chargeable to the Company; but from this is to be deducted the Revenues of the Dutch Settlements, amounting to £24,000: the difference then is - £46,000

The reduction of the Military in India, by the Court's late orders, is estimated to produce a Saving of - 270,000

316,000

The Net Revenue may then be estimated at £2,011,540

From this the Interest of the Debts is to be defrayed, which cannot be computed at present at less than - - - - - 1,150,000

But it may be conjectured that part will be paid by Bills on the Court, under the orders lately sent to India for that purpose.

The remaining estimated Surplus is £861,540

But to allow for unforeseen contingencies, it may be better to take it at - - - - - £800,000

The Surplus Revenue, without reducing the Military Establishments more than by the Orders lately sent out, may thus be estimated at £800,000.

If the increase to the Artillery directed by those orders, could be postponed, it would produce a saving of £54,000.

If all the Native Infantry Regiments in India were reduced to 1400 privates each, it would be a saving of £153,000 per annum.

A P P E N D I X, No. V.

Extract of Act of 33 Geo. III. Cap. 52.—
Sections 107 to 123.

107. **AND** be it further Enacted, That for and during so long Time as the said Company shall be entitled to the whole, sole, and exclusive Trade and Traffic, in, to, and from the *East-Indies*, and other Places within the Limits of their Charter, subject to the Provisions, Regulations, and Limitations in this Act contained, the clear Profits arising from the said Territorial Acquisitions, and Revenues in *India*, after defraying the Charges and Expenses of collecting the same, shall be applied and disposed of, to and for the Uses and Purposes hereinafter expressed, in the following Order of Preference, and to or for no other Use or Purpose, or in any other Manner

Application of
the Surplus
arising from
the Territorial
Acquisitions
and Revenues
in *India*.

whatever, any Act or Acts of Parliament now in Force to the contrary notwithstanding, (that is to say), In the First Place, in defraying all the Charges and Expenses of raising and maintaining the Forces, as well European as Native, Military and Marine, on the Establishments in *India*, and of maintaining the Forts and Garrisons there, and providing War-like and Naval Stores: Secondly, in Payment of the Interest accruing on the Debts owing, or which may be hereafter incurred by the said Company in *India*: Thirdly, in defraying the Civil and Commercial Establishments of the said Company at their several Settlements there: Fourthly, That there shall be issued to the respective Commercial Boards of the said Company, at their several Presidencies in *India*, in such Proportions as the Court of Directors of the said Company, with the Approbation of the Board of Commissioners for the Affairs of *India*, shall, from Time to Time, direct, a Sum of not less than One Crore of Current Rupees in every Year, to be applied in the Provision of the Company's Investment of Goods in *India*, and in Remittances to *China*, for the Provision of Investment of Goods there: And, Fifthly, that as often as any Part of the said Debts shall be redeemed or discharged in *India*, or transferred from thence to *Great-Britain*, it shall

shall and may be lawful to and for the said Court of Directors, with the Consent of the said Board of Commissioners, to increase the annual Advancement to the said Commercial Boards, for the Provision of Investments in *India* and *China*, in the same Extent to which the Interest of the Debts in *India* shall be reduced by such Extinction and Transfers respectively, if the Trade of the said Company from *India*, and their Remittances to *China*, shall admit of or require such Increase: And that after the Appropriations aforesaid, or Sums set apart sufficient to answer and make good the same, the Surplus of the said Revenues shall be applied to the Liquidation of the Debts of the said Company in *India*, or to such other Uses and Purposes as the Court of Directors, with the Approbation of the Board of Commissioners for the Affairs of *India*, shall, from Time to Time, direct; any Act or Acts of Parliament to the contrary thereof notwithstanding.

108. And whereas sundry Debts, incurred in the Defence and Protection of the *British Possessions in India*, bearing Interest, are now due and owing by the said Company there, amounting to Seven Crores of Current Rupees, or Seven Millions of Pounds Ster-

Governments in *India* may grant Bills upon the Directors, for transcribing Debts in *India* to *Great-Britain*.

ling, or thereabouts: And whereas it may be convenient and beneficial to the Company's Affairs, that the greater Part of the said Debts should be transferred or remitted to, and paid in *Great-Britain*; and it is therefore expedient, that proper Encouragement should be given to the Creditors of the said Company in *India*, to transfer and remit the same accordingly: Be it further Enacted, That it shall and may be lawful for the several Governments and Presidencies in *India*, from Time to Time, to grant Bills of Exchange upon the Court of Directors of the said Company, payable in *Great-Britain*, at such equitable Rates of Exchange as shall be, from Time to Time, directed or authorized by the said Court of Directors, with the Approbation of the said Board of Commissioners for the Affairs of *India*, for the Purposes of transferring and remitting the said Debts, in manner aforesaid incurred by the said Company, and now due and owing by them in *India*, to *Great-Britain*, until the said Debts in *India* shall be reduced to a Sum not exceeding Two Crores of Current Rupees, or Two Millions of Pounds Sterling; and that the said Court of Directors shall be, and are, by Force and Virtue of this Act, fully authorized and impowered to accept and discharge such Bills of Exchange accordingly,

ingly, over and besides such other Bills of Exchange as the said Company could or might lawfully accept and pay, if this Act had not been made, and not otherwise, or in any other Manner, any Law or Statute to the contrary notwithstanding.

109. Provided also, and be it further Enacted, That if the Creditors of the said Company in *India* shall decline to accept of and receive such Bills of Exchange as aforesaid, in Payment or Discharge of their said respective Debts, or shall not accept the same, to the Amount of Five Hundred Thousand Pounds in any Year, it shall and may be lawful for the Governor General in Council of *Fort William* in *Bengal*, or for the Governors in Council of the several Presidencies of *Fort St. George* and *Bombay*, respectively, by the Order and Authority of the said Governor General in Council, to raise a sufficient Sum or Sums, whereby to make up a Remittance for such Year, to the Amount by which the Total of Bills of Exchange, so accepted by the said Creditors, shall fall short of the said Sum of Five Hundred Thousand Pounds, by Loans of and from any other Persons willing to advance the same, upon the Credit of Bills
of

If such Bills are not accepted by the Creditors, to the Amount of 500,000*l.* annually, the Deficiency to be made up by Loans.

of Exchange to be drawn by them upon the said Court of Directors, at such equitable Rates of Exchange as shall be authorized and directed in the Manner before-mentioned; and that the Money so raised in *India* shall forthwith, upon Payment thereof into the proper Treasury there, be issued and applied towards the Liquidation and Discharge of the said Debts of the said Company in *India*, and to or for no other Use or Purpose whatever.

Bills not to be granted for more than 500,000*l.* annually, unless by Order of the Directors.

110. Provided also, and be it further Enacted, That nothing in this Act contained shall extend, or be construed to extend, to authorize any of the Governments in *India* to grant Bills of Exchange for the Purpose of transferring, or remitting the said Debts from *India* to *Great-Britain*, to become due and payable within any One Year, to be computed from the First Day of *January* in the same Year, exceeding in Amount the Sum of Five Hundred Thousand Pounds, unless by the special Order and Authority of the Court of Directors of the said Company, for that Purpose first had and obtained, any thing herein-contained to the contrary notwithstanding.

111. And

111. And be it further Enacted, That during the Continuance of the exclusive Trade to the said Company, the Net Proceeds of their Sales of Goods at Home, with the Duties and Allowances arising by Private Trade, and all other Profits of the said Company in *Great-Britain*, after providing for the Payment of Bills of Exchange already accepted by the said Company, as the same shall become due, and for the current Payments of other Debts, Interest, and other Outgoings, Charges, and Expenses of the said Company, (their Bond Debt always excepted) shall be applied and disposed of in the following manner; (that is to say) First, in Payment of a Dividend, after the Rate of Ten Pounds *per Centum per Annum*, on the present or any future Amount of the Capital Stock of the said Company, the First Half Year's Payment thereof to commence and be made at *Midsummer*, One Thousand Seven Hundred and Ninety-three: Secondly, in Payment of Five Hundred Thousand Pounds *per Annum*, the same to be set apart on the First Day of *March* and the First Day of *September*, Half-Yearly, in equal Portions, and applied in the Discharge of Bills of Exchange drawn or to be drawn in *India*, for the Transfer or Remittance of the Debts of the said Company from thence to *Great-Britain*,

Application of
the Profits of
the Company in
Great-Britain.

Britain, for the Diminution of such Debts, until the same shall be reduced to Two Crores of Current Rupees, or Two Millions of Pounds Sterling: Thirdly, in Payment of a Sum not exceeding Five Hundred Thousand Pounds in every Year, into the Receipt of His Majesty's Exchequer, to be applied as Parliament shall direct, the same to be set apart for that Purpose on the First Day of *July*, and the First Day of *January* in every Year, by equal Portions, and the First Half-Yearly Payment thereof to be made or accounted due on the First Day of *July*, One Thousand Seven Hundred and Ninety-Three; And if the said Funds shall prove insufficient in any Year to satisfy such last-mentioned Payments into His Majesty's Exchequer, that then and in every such Case the same shall be made good, except as in this Act is otherwise specially provided, out of any Surplus which may remain from the said Net Proceeds in any subsequent Year, after the Payment of the Annual Sum of Five Hundred Thousand Pounds into the Receipt of His Majesty's Exchequer, becoming due in each Year respectively: And that until the said Debts in *India* shall be reduced to the said Amount of Two Crores of Current Rupees, or Two Millions of Pounds Sterling, the ultimate Surplus which shall remain of the said Net Proceeds,

If Funds prove insufficient to pay 500,000 *l.* into the Exchequer in any Year, the Deficiency to be made good in a subsequent Year; and

till the Debts in *India* be reduced to 2,000,000 *l.* the ultimate Surplus of Proceeds to be applied as herein-mentioned.

Proceeds, after such Payments thereout made as aforesaid, shall and may be, from Time to Time, set apart and applied in Augmentation of the said Fund or Annual Sum of Five Hundred Thousand Pounds a Year, hereby appropriated for the Reduction of the said Debts in *India*, in and for the Reduction thereof, by the Discharge of any further Bills of Exchange to be drawn from thence, either for the Transfer and Remittance thereof to *Great-Britain*, or for Loans of Money to be borrowed on the Credit of any Bills of Exchange which shall be granted by the Order of the Court of Directors, to any greater Amount than is herein-before limited or directed in that Behalf; or otherwise it shall be lawful for the said Court of Directors to apply any Part of the said ultimate Surplus of the said Net Proceeds in the Payment of any Debts of the said Company in *Great-Britain* (the said Bond Debt of One Million Five Hundred Thousand Pounds only excepted) or to the Purchase of any Goods, Wares, or other Merchandize, to be disposed of in *India* or *China*, and to appropriate the Produce thereof in and towards the more speedy Diminution of the said Debts in *India*; And that when and so soon as the said Debts in *India* shall have been reduced to the Amount herein-before limited in respect

Application of
the Net Pro-
ceeds, after
Debts are re-
duced to certain
Amounts.

L

thereof,

thereof, and the Bond Debt in *Great-Britain* to One Million Five Hundred Thousand Pounds, the Surplus of the said Net Proceeds, after providing for the current Payments of Interest, and other Outgoings, Charges, and Expenses of the said Company, and of a Dividend after the said Rate of Ten Pounds *per Centum per Annum*, on the said Capital Stock, and the said Annual Sum of Five Hundred Thousand Pounds to be paid into the Exchequer, and after making good all former Deficiencies in the said Annual Payments, otherwise than as is provided by this Act, shall be applied and disposed of in Manner following: (that is to say) One Sixth Part of the said Surplus, computed and adjusted to the First Day of *March* in every Year, shall be reserved and retained by the said Company for their own Use, and applied in Augmentation of the Dividends on their said Capital Stock; and that the Residue of the said Surplus shall be set apart, and from Time to Time paid by the said Company into the Bank of *England*, within the First Week in *April* in each Year, to be there placed to the Account of the Commissioners appointed by an Act of the Twenty-sixth Year of His Majesty's Reign, intituled, "An Act for vesting certain Sums in Commissioners, at the End of every Quar-
 " ter

“ ter of a Year, to be by them applied in the “ Reduction of the National Debt,” until the Monies so paid, together with the Sums arising by the growing Interest thereof, shall have amounted to Twelve Millions of Pounds Sterling; and that from and after such Payments, together with the Money so arising by the said growing Interest, shall have amounted to the said Sum of Twelve Millions of Pounds Sterling, the said Surplus shall be, from Time to Time, paid into the Receipt of His Majesty’s Exchequer, and be there placed to the Account of the Consolidated Fund, as the Property of the Public in full Right.

112. Provided also, and be it further Enacted, That if the Debts of the said Company in *India*, after the same shall have been reduced to Two Crores of Current Rupees, or Two Millions of Pounds Sterling, shall be again increased beyond that Amount, or if their Bond Debt in *Great-Britain*, after the same shall have been reduced to One Million Five Hundred Thousand Pounds, shall be again increased beyond that Sum, then and so often as either of those Cases shall happen, the like Appropriations as are herein-before directed or authorized to be made for the Reduction of the said present Debts, shall again take place and

If the Debts, after Reduction, shall be again increased beyond certain Sums, the like Appropriations for their Reduction again to take place.

be made for the Reduction of the said new Debts respectively, until the Whole of the Debts of the said Company in *India* shall be again reduced to Two Crores of Current Rupees, and their Bond Debt in *Great-Britain* to One Million Five Hundred Thousand Pounds, any Thing in this Act contained to the contrary notwithstanding.

Bank to keep
an Account
with the Com-
missioners
under the last
recited Act,
and to invest
Monies paid in
their Names,
&c.

113 And be it further Enacted, That the Governor and Company of the Bank of *England* shall raise and keep an Account with the said Commissioners in their Books, to be intituled “ The Account of the Guarantee Fund of the United Company of Merchants “ of *England*, Trading to the *East-Indies* ;” and that as well all such Monies as shall be so paid by the said United Company to the said Governor and Company by Virtue of this Act, as also the Annual Dividends or Interest to arise therefrom, in Manner by this Act provided, shall be placed to the said Account, and shall be severally and respectively, under the Order and Direction of the said Governor and Company of the Bank of *England*, laid out and invested in the Names of the said Commissioners, in the Purchase of Capital Stock in any of the redeemable Public Annuities transferrable at the Bank of *England*, the same to be

be transferred to the said Commissioners, on Account of the said Guarantee Fund, in the Books of the said Governor and Company of the Bank of *England*; and that the Dividends payable thereon shall, from Time to Time, be received by the said Governor and Company of the Bank of *England*, and be placed to the Account of the said Commissioners.

114. And be it further Enacted, That when and after the Monies paid by the said United Company to the said Governor and Company of the Bank, together with the Monies received for Dividends on the Capital Stock of Annuities purchased therewith, and with the Proceeds thereof, shall have amounted to Twelve Millions of Pounds Sterling, the Dividends of the said Capital Stock of Annuities shall, in Preference to any other Disposition thereof, be subject and liable to make good to the said United Company, for and during all such Time as they shall continue to trade with a Joint Stock, any Deficiency or Deficiencies in their own Funds, applicable to the Payment of the said Dividend of Ten Pounds *per Centum per Annum* on the Capital Stock of the said United Company, if any such Deficiency shall happen in such Payment or Payments; and that when there shall be no

such

When the Capital Stock in the Names of the Commissioners shall amount to 12,000,000*l.*, the Dividends liable to make good any Deficiency in the Dividends on the Company's Stock.

such Deficiency, or being such, after the same shall be made good out of the said Dividends, such Dividends, or the Surplus thereof, shall be deemed to be the Property of the Public, and shall be paid, when and as often as the same shall arise, by the said Governor and Company of the Bank of *England*, into the Receipt of the Exchequer, and be there carried to the Account of the Consolidated Fund.

And the said Capital Stock to be a Guarantee Fund of the Company's Stock, &c.

115. And be it further Enacted, That the Capital Stock of Annuities, wherein, or in the Purchase whereof, the said Sum of Twelve Millions of Pounds Sterling shall be invested, pursuant to the Directions of this Act, shall be deemed and considered as a Guarantee Fund, for the better securing to the said United Company their said Capital Stock, or the Value thereof, such Value being always computed for that Purpose, after the Rate of Two Hundred Pounds for every One Hundred Pounds of such Capital Stock; and that if, at the Time of the Right and Title of the said United Company to the said whole, sole, and exclusive Trade (limited as aforesaid) becoming determined, their own Funds and Assets, real and personal, shall be insufficient to pay and satisfy all their just Debts, and to make good to the said Company their said Capital Stock,

or

or the Value thereof, computing the same after the said Rate of Two Hundred Pounds for every One Hundred Pounds of the said Stock, that then the said Capital Stock of Annuities, or Guarantee Fund, shall be deemed and considered, as far as the same shall or may extend for that Purpose, to be in the First Place, and before any other Application thereof, subject and liable to make good to the said Company and their Creditors, the Deficiency so arising in their own Funds and Effects for the Purpose aforesaid; and that the said Capital Stock of Annuities, or the Surplus thereof, after making good such Deficiency (if any such there shall be) shall remain and continue as a Guarantee Fund, for the better securing the Capital Stock of the said United Company, or the Value thereof, rating the same as aforesaid, after such Determination of their whole, sole, and exclusive Trade, for so long Time as they shall continue to trade with a Joint Stock, and subject thereto; and after making good all such Deficiencies, that the said Capital Stock of Annuities, or so much thereof as shall then remain, shall be and be deemed the Property of the Public.

116. And be it further Enacted, That from and after any Money shall be paid by the

Bank to lay
before Parlia-
men. an Ac-

count of Money paid by the United Company on Account of the said Commissioners.

the said United Company to the said Governor and Company of the Bank of *England*, by Virtue of this Act, an Account shall be made to the last Day of *January* in every Year, by the Governor and Company of the Bank of *England*, of all Sums which shall have been paid to them by the said United Company, or carried into their Books on Account of the said Commissioners, under or by Virtue of this Act, and also of all Sums of Capital Stock of Annuities, which, in Pursuance hereof, shall have been purchased in the Names of the said Commissioners, with the Interest accruing thereupon, and of the Application of the same, respectively; which Account the said Governor and Company of the Bank of *England* are hereby required to lay before both Houses of Parliament, on or before the Fifteenth Day of *February* immediately following, if Parliament shall be then sitting, and if Parliament shall not then be sitting, then within Fourteen Days after the Commencement of the then next Session of Parliament.

Securities given by Cashiers to extend to this Act.

117. And be it further Enacted, That the Security or Securities given, or hereafter to be given, by the Cashier or Cashiers of the Governor and Company of the Bank of *England*, for the due Performance of their Trust, in

in pursuance of a Clause for that Purpose contained in the said Act of the Twenty-sixth Year of His Majesty's Reign, shall extend, and be deemed in Law to extend to their due Performance of the Trust by this Act reposed in the said Cashier or Cashiers, respectively.

118. Provided always, and be it further Enacted, That such reasonable Allowances shall be made to the said Governor and Company of the Bank of *England* and their Cashier or Cashiers, in respect of their Services, Labor, and Expenses, in the Performance of the Trusts hereby reposed in them, as the Commissioners of His Majesty's Treasury, or the High Treasurer for the Time being, shall in that Behalf direct, the same to be paid or retained out of the annual Dividends or Proceeds of the Capital Stock of Annuities to be purchased under the Authority of this Act; any Thing herein-contained to the contrary notwithstanding.

Allowance to be made the Bank for their Services.

119. And be it further Enacted, That the said United Company and their Successors shall, and they are hereby directed and required to pay into the Receipt of His Majesty's Exchequer, and into the Bank of *England*, the

On Failure of Payment of Monies into the Exchequer and the Bank, the same may be recovered, with Damages, in any Court of Record at *Westminster*.

M

several

several and respective Sums of Money by this Act directed to be paid by them, at or within the Times, and in the Manner and Form aforesaid, and according to the true Intent and Meaning of this Act ; and if the said United Company or their Successors shall make Failure in any Payment hereby appointed to be made by them into the said Receipt of the Exchequer, or into the Bank of *England*, according to the Tenor and true Meaning hereof, that then and in any such Case the Money whereof such Failure in Payment shall be made, shall and may be recovered from the said United Company and their Successors to His Majesty's Use, by Action of Debt, or upon the Case, Bill, Suit, or Information, in any of His Majesty's Courts of Record at *Westminster*, wherein no Essoign, Protection, or Wager of Law shall be allowed, or any more than One Imparlance ; in which Action, Bill, Suit, or Information, it shall be lawful to declare, that the United Company of Merchants of *England* trading to the *East-Indies* are indebted to His Majesty in the Monies of which they shall have made Default in Payment, according to the Form of this Act, and have not paid the same ; which Declaration shall be sufficient, and in or upon such Action, Bill, Complaint, or Information, there shall be further recovered for His Majesty's

jesty's Use, against the said Company and their Successors, Damages after the Rate of Fifteen Pounds *per Centum per Annum*, for the respective Monies so unpaid contrary to this Act, together with full Costs of Suit; and the said United Company and their Successors, and all their Stock and Funds, and all other their real and personal Property and Estate, Lands and Tenements, whatever and wherever, shall be and are hereby made subject and liable to the Payment of the said Monies and Damages, with the full Costs of Suit.

120. And be it further Enacted, That the said United Company and their Successors shall, upon Payment of the several Sums by this Act directed to be made into the Receipt of His Majesty's Exchequer, and into the Bank of *England* respectively, be fully exonerated, acquitted, and discharged, as against His Majesty, His Heirs, and Successors, from all Writs, Actions, Suits, Damages, and Proceedings, for or on Account of the respective Sums which shall be so paid by the said Company; and in Order that no Difficulty or Dispute may arise in respect thereof, a Certificate shall be made, without Fee or Reward, for the ascertaining the Amount of every distinct Sum by the said Company paid into the Receipt of

Certificates of Monies paid into the Exchequer and Bank to be given to the Company.

the Exchequer, and into the Bank of *England* respectively, by Virtue of this Act, at the Time of the Payment thereof, specifying the Amount of the Sum or Sums so paid, and the Day of Payment of the same ; which Certificate in respect of Monies paid into the Receipt of the Exchequer shall be signed by the Auditor of the Receipt of the Exchequer, the Clerk of the Pells, and One of the Tellers, or in their Absence, by their respective Deputies attending at the said Receipt ; and for Monies paid into the Bank of *England*, such Certificate shall be signed by One of the Chief Cashiers of the said Bank of *England*, severally and respectively, at the Time of Payment of such Money ; and the several Certificates, so signed, shall be delivered to the said Company, or their Chief Treasurer or Cashier, and shall be good and sufficient Evidence in Law, as against His Majesty, His Heirs, and Successors, for the Payment of the Sum or Sums therein expressed and specified. *

On Representation from the Directors of Inconvenience, the Treasury may postpone Payment of Monies into the Exchequer or Bank.

121. Provided always, and be it further Enacted, That if the making Payment of any Sum or Sums into the Receipt of the Exchequer, or into the Bank of *England*, respectively, at or within the Time or Times appointed by this Act for that Purpose, will be attended

attended with material Inconvenience or Embarrassment to the Affairs of the said Company, then and in every such Case the Court of Directors of the said Company shall and are hereby required to represent the same, and the Circumstances thereof, to the High Treasurer or Commissioners of the Treasury for the Time being, who shall forthwith examine into and consider of such Representation; and thereupon it shall and may be lawful for the said High Treasurer or Commissioners of the Treasury, if he or they shall see Cause, to postpone or suspend the Payment of the Sum or Sums, so accruing or accrued due as aforesaid, for such reasonable Time, and upon such Terms and Conditions, as to him or them shall appear reasonable and expedient; and that the Payment of the said Sum or Sums shall accordingly be postponed or suspended, and no Penalty or Damages shall be incurred or incurable in the mean Time, by Reason of the Non-payment thereof, any Thing herein contained to the contrary notwithstanding; Provided always, That there be laid before both Houses of Parliament, within Fourteen Days after the making such Order, if Parliament shall be then sitting, or otherwise within the First Fourteen sitting Days of the then next Session of Parliament,

ment, a Copy of the said Order, and of the Representation of the said Court of Directors, whereon the same shall have been granted.

If by War the Proceeds shall fall short of paying 500,000*l.* *per Annum* to the Public, the Deficiency shall not be made good, so as to impede the Accumulation of the Guarantee Fund, &c.

122. Provided also, and be it further Enacted, That if it shall happen that, by any extraordinary Expenses incurred in Time of War, or Preparations for War, or from Circumstances incidental to War, the aforesaid net Proceeds shall fall short (after Payment or Provision made for the said Dividend of Ten Pounds *per Centum*, and the said Five Hundred Thousand Pounds *per Annum*, for the Reduction of the said Debt in India) of making Payment to the Exchequer of the said Five Hundred Thousand Pounds *per Annum*, for the Use of the Public, then and so often as the same shall happen, the Deficiency or Deficiencies in the said last-mentioned Payments shall not be made good out of the Surplus of any future Year or Years, to impede the Accumulation of the said Guarantee Fund, not exceeding Twelve Millions of Pounds, payable into the Exchequer; but that the Amount of all Deficiencies so happening and occasioned, shall be deemed as a Debt to be made good to the Public upon the Determination of the

the exclusive Trade of the said Company, in the Event only of their general Assets, consisting of Monies in their Treasuries, Securities for Money, Ships, Goods, Wares, and Merchandize, and other their live and dead Stock, producing or amounting in Value to more than sufficient for the Payment of all the just Debts of the said Company, and of making good to the said Company the Value of their Capital Stock, rated at Two Hundred Pounds for every One Hundred Pounds of such Stock ; but that after Payment or Provision made for the said Debts and Capital Stock as aforesaid, the Surplus or Excess of the said general Assets shall be applied in the making good the Amount of the said Deficiencies, as far as the same will extend, in Preference to any other Application thereof; any Thing herein contained to the contrary notwithstanding.

123. Provided also, and be it further Enacted, That the Appropriation made by this Act of the clear Profits of the said Territorial Acquisitions and Revenues in *India* shall not extend, or be construed to extend, to prejudice or affect the Rights of the Public, or of the said United Company, respecting the said Territorial Acquisitions and Revenues, beyond

Act not to affect the Rights of the Company or the Public respecting the Territorial Acquisitions and Revenues, beyond the further Terms granted.

beyond the further Term by this Act granted to the said United Company, under the Limitations thereof, in the sole and exclusive Trade to the *East-Indies* and Parts aforesaid.

A P P E N D I X, No. VI.

ESTIMATE, shewing may be the Situation of the Cash Concerns of the EAST-INDIA COMPANY, in England, at the Conclusion of their Charter, calculated on the following Principles, viz. Supposing after the first Year the Prime-Cost of the Investments from India and China to amount equally to Three Millions, and the Sales to yield £5,550,000; that the Surplus from the Territorial, &c. Revenues, shall amount to One Million, and gradually increase, by the Interest on the Debt (to be extinguished), &c. till it amounts to Two Millions, the Prime-Cost of the Investment being paid from the Surplus Revenue, and from the Proceeds of the Sales, reckoning on an Addition to the Capital Stock at £500,000, or One Million Sterling annually, for Four Years; the Charges in the first Year taken on a War, and in the following on a Peace Establishment; reckoning, likewise, on the Liquidation of the Indian Debt at Interest, taken at Fourteen Millions, so that by the Year 1808-9 it shall be reduced to £450,000; and finally, shewing the Proceeds, without noticing what may be the Amount for the Participation of the Public.

	1801-2	1802-3	1803-4	1804-5	1805-6	1806-7	1807-8	1808-9	1809-10	1810-11	1811-12	1812-13	1813-14
RECEIPTS.													
Balance of Cash	99,438	1,137,816	1,651,541	2,837,788	4,151,494	4,772,220	5,090,946	5,109,571	5,084,196	5,047,121	5,006,856	4,964,761	4,923,102
Sales of Goods	14,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Profit on Private Trade	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Interest on Annuities	362	362	362	362	362	362	362	362	362	362	362	362	362
Loyalty Loan	308,400	—	—	—	—	—	—	—	—	—	—	—	—
New Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PAYMENTS.													
Customs	—	—	—	—	—	—	—	—	—	—	—	—	—
Freight	—	—	—	—	—	—	—	—	—	—	—	—	—
Charges on Goods	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost of Investments, the Part paid in England	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—	—	—
Charges Extra	—	—	—	—	—	—	—	—	—	—	—	—	—
Freight Extra	—	—	—	—	—	—	—	—	—	—	—	—	—
Payment of Indian Debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Officers on Furlough	—	—	—	—	—	—	—	—	—	—	—	—	—
Capitains of Ships, &c.	—	—	—	—	—	—	—	—	—	—	—	—	—
Debt to the Bank	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Payments	—	—	—	—	—	—	—	—	—	—	—	—	—
Balance remaining	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—	—	—

Some Variation may be expected as to the precise Year in which the Debt would be reduced to the interest Limit. It may take Place partly in the Year 1807-8, and partly in 1808-9.

N.B. The above Estimate is framed on the supposition of Peace after the first Year. The Calculations are made without Reference to the Rates of Exchange or the Price of Bullion.

ESTIMATE, showing what may be the Situation of the Cash Concerns of the EAST-INDIA COMPANY in England, at the Conclusion of their Charter, calculated on the following Principles, viz. Supposing the Prime-Cost of the Investment from India and China to amount, annually, to four Millions, and the Sales to yield £7,400,000; that after the First Year, the Surplus from the Territorial, &c. Revenues shall amount to One Million, and gradually increase, by the Interest on the Debt (to be extinguished), &c. till it amounts to Two Millions; the Prime-Cost of the Investment being paid from the Surplus Revenue, and from the Proceeds of the Sales; reckoning on an Addition to the Capital Stock at £500,000 or One Million Sterling annually, for Four Years; the Home Charges in the First Year being taken as a War Establishment, and in the Five last again on a Peace Establishment; likewise, on the Liquidation of the Indian Debt at Interest, taken at Four Millions, so that, by the Year 1868-9, it shall be reduced to £4,500,000; and finally, shewing the Proceeds, without noticing what may be the Amount for the Participation of the Public.

N. B. The Figure in small Type exhibits what might be the further Effect of an Indian War, by absorbing a great Part of the Surplus Revenue of the Years 1860-10, 1810-11, and 1811-12.

	PEACE.										WAR.									
	1862-3	1863-4	1864-5	1865-6	1866-7	1867-8	1868-9	1869-10	1870-11	1871-12	1872-13	1873-14	1874-15	1875-16	1876-17	1877-18	1878-19	1879-20	1880-21	1881-22
RECEIPTS.																				
Balance of Cash	9,046,713	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000
Sales of Goods	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Profit on Private Trade	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226
Interest on Annuities	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226
Loyalty Loan	368,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Receipts	9,746,865	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452
Payments																				
Cultivators	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Freight	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Charges on Goods	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost of Irregularities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost of the part paid in England	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Charges Extra	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Freight Extra	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Payment of Indian Debt	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Officers on Fortnigh	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Captains of Ships, &c.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Debt to the Bank	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Payments	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816	1,133,816
Balance remaining	8,613,049	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636	7,502,636
Total	9,746,865	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452	8,636,452

N. B. The Calculations are made without Reference to Rates of Exchange or the Price of Bullion.

Some Variation may be expected as to the precise Year in which the Debt would be reduced to the intended Limit. It may take Place partly in the Year 1867-8, and partly in 1868-9.

A P P E N D I X. No. VIII.

It may be the Situation of the Cash Concerns of the EAST-INDIA COMPANY, in England, at the Conclusion of their Charter, calculated on the following Principles, viz. Supposing after the first Year the Prime-Cost of the Investments from India annually to Three Millions, and the Sales to yield £550,000; that the Surplus from the Territorial, &c. Revenues, shall amount to One Million, and gradually increase, by the Interest on the Debt (to be extinguished), &c. till it amounts to Two Millions, the Prime-Cost of the Investment being paid from the Surplus Revenue, and from the Proceeds of the Sales, reckoning on an Addition to the Capital Stock at £500,000, or One Million Sterling annually, for Four Years; the Hume Charges in the first Year taken on a War Establishment, in the Seven following on a Peace Establishment, and in the Five last again on a War Establishment; reckoning, likewise, on the Liquidation of the Indian Debt at Interest, taken at Fourteen Millions, so that, by the Year 1808-9, it shall be reduced to £450,000; and finally, showing the Proceeds, without noticing what may be the Amount for the Participation of the Public.

ESTIMATE, shewing the Situation of the Cash Concerns of the EAST-INDIA COMPANY, in England, at the Conclusion of their Charter, calculated on the following Principles, viz. Supposing after the first Year the Prime-Cost of the Investments from India annually to Three Millions, and the Sales to yield £550,000; that the Surplus from the Territorial, &c. Revenues, shall amount to One Million, and gradually increase, by the Interest on the Debt (to be extinguished), &c. till it amounts to Two Millions, the Prime-Cost of the Investment being paid from the Surplus Revenue, and from the Proceeds of the Sales, reckoning on an Addition to the Capital Stock at £500,000, or One Million Sterling annually, for Four Years; the Hume Charges in the first Year taken on a War Establishment, in the Seven following on a Peace Establishment, and in the Five last again on a War Establishment; reckoning, likewise, on the Liquidation of the Indian Debt at Interest, taken at Fourteen Millions, so that, by the Year 1808-9, it shall be reduced to £450,000; and finally, showing the Proceeds, without noticing what may be the Amount for the Participation of the Public.

N. B. The Figures in small Type indicate what might be the greater Effect of an Indian War, by showing a great Part of the Surplus Revenues of the Years 1809-10, 1810-11, and 1811-12.

RECEIPTS.	PEACE.					WAR.				
	1804-5	1805-6	1806-7	1807-8	1808-9	1809-10	1810-11	1811-12	1812-13	1813-14
Balance of Cash	914,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Sale of Goods	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Profit on Private Trade	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Interest on Annuities	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226	36,226
Loyalty Loan	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
New Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Receipts	2,130,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226
PAYMENTS.										
Cutlery	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Freight	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Charges on Goods	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Cost of Inveigilance, the part paid in England	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Dividends	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Charges Extra	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Freight Extra	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Payment of Indian Debt	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Officers on Furburgh	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Captains of Ships, &c.	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Debt to the Bank	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Total Payments	2,130,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226
Balance remaining	0	0	0	0	0	0	0	0	0	0
Total	2,130,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226	2,256,226

N. B. The Calculations are made without Reference to Rates of Exchange or the Price of Bullion.

F I N I S.

Some Variation may be expected as to the precise Year in which the Debt would be reduced to the intended Limit. It may take Place partly in the Year 1807-8, and partly in 1808-9.

